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Tourism in Latin America

Cases of Success

 Springer

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Presentation

The quality of Latin American tourism has been the theme of increasing analysis focus by experts, as well as awakened interest from international scholars, on leisure and tourism, in the continent. Researchers who work exclusively with English have difficulties to find studies on tourism related to this area of the globe and articles which have high quality are written in English. We also identify interest from a large group of international investigators on tourism work and development methods, tourism studies, and practices of this area.

Scholars from Latin America are supposed to do such analysis and reflection, providing the theme at a global level (hence the importance of publication in three languages), so it gets more notorious, discussed, and developed, both in the continent and in other countries interested in economy, society, culture, and tourism of Latin America countries.

The continent has been through many difficulties over its five centuries, from European colonization until its independence, particularly over the last 30 years. Such difficulties have led to deep changes in the world. The continent reaches the twenty-first century with new possibilities and innovations in many areas of economy, including tourism. Countries such as Mexico, Brazil, Colombia, Peru, Chile, and Argentina have nowadays positive results generated by cases of success. The continent is no more a land of future promises and is becoming with new conquests a continent of realities and good practices which should be analyzed and criticized by experts.

It is important to notice how this advancement has taken place, how these cases have developed, understand their causes, agents, management, and planning system, as well as their form, their ability to face challenges, and their handicaps.

The Gross Domestic Product of these countries expands intensely in the tertiary sector. These economies are no longer agricultural and exporting, and have become references in the sector of specialized services, including those focused on leisure and involve hospitality, travels and tourism, entertainment, gastronomy, events, indoor and outdoor recreation, etc.

The main languages of the continent, Spanish (spoken by approximately 400 million people in the world) and Portuguese (spoken by 235 million people in the

world), represent a huge market in terms of culture, history, economy, social issues, and a considerable collection of specific tourism cases, successful and typically Latin American. The publishing market in Spanish language is very significant, both in original Spanish-American works and in translation to other languages. On the other hand, Brazil, Portugal, and several African countries are the largest consumers of publications in Portuguese.

In the acronym BRIC (Brazil, Russia, India and China) the first letter stands for Brazil, a country which during last decade has acted harmoniously with other Latin peoples, including those from Iberian peninsula, inaugurating a foreign policy committed to the continent and aiming at exchanging economies, ideals, and culture with its Latin America neighbors. The continent regional, cultural, thematic, linguistic, economical, and academic integration will be discussed in this book.

Mexico, Brazil, Chile, and Costa Rica are some of Latin American countries which have some good examples and models of touristic development, respect for the environment and social inclusion, despite several problems they still present. Some of the best practices are object of study, along with analysis of how these projects helped improving the environmental and social surroundings and to ensure return on investments.

The authors of this book are all acknowledged in the area of tourism in the Latin America, whereby some possess acknowledgment abroad also in their countries of origin and beyond American frontiers.

This Latin-American collaboration increases the axis of studies and publications in tourism, formed by Canada-United States, United Kingdom, China, Southeast Asia, Australia, and New Zealand, since Latin America has a history of successful cases in tourism and needs to find its specific and relevant place acknowledged by international academy.

In a time of deep changes all over the world, in technological, social, political, economic, and cultural fields, the Latin American countries also face challenges and doubts about how to increase their performance, but also have enough will power to be a part of this new world, respecting their different profiles and competences.

It is important to understand the *ethos* and the nature of Latin American process through contemporary history. The continent is no more a weird place of *magic realism* or just a network of *plantations* to serve the foreign imperialism. The agro business, the industrial belts in some countries, the strength of financial markets, the hubs of high technology, and the flamboyant field of services bloom in the last decades forging new economies. Those services are also specific in terms of market niches, from the popular niches until the luxury and exclusive desires of consumption.

In the tourism field, the offers are also much more complex and tasteful. The chapters of this book shows that the Latin American tourism is more than just carnival and soccer in Brazil, the Mexican white sand beaches, the lust nature of Costa Rica, the Colombian coffee, the vineyards in Chile, and the rural farms of Argentina. Not to mention the breathless landscapes famous since von Humboldt and other European explorers drafted to the world some centuries ago.

The following chapters discuss how the continent awakened for the importance of professional tourism, to the diversity of tourism attractions, and the higher quality of services. The two first introductory chapters are responsible to presents these new realities, and the next ten chapters discuss some top cases in several countries.

For sure there are still even problems or opportunities to develop the tourism sector in the continent, and there is a long way to get the same highest standards found in the development areas of the world. But there is also a history of well-being enterprises, projects, and good examples of success.

We hope the readers will meet here the clear sensation that there are new destinations and new players in the competitive world in search of consumers well connected with environment preservation, high quality of services, respect for ethics and social justice, and needs of sustainable development.

That was the target of this book.

Winter North, Summer South, 2014.

Sao Paulo, Brazil

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Chapter 12

Success in Progress? Tourism as a Tool for Inclusive Development in Peru's Colca Valley

María-Luisa Rendón and Simon Bidwell

Abstract In contemporary Peru, high expectations have been set for tourism as an economic activity that can contribute to inclusive development by offering an alternative to extractive industries and providing new opportunities to historically marginalized populations, particularly in the rural sierra. We provide a historical overview of criteria for "success" in tourism and note that those criteria associated with coordinated planning and the effective incorporation of local populations in the tourism value chain are currently considered most important by governmental and other actors in Peru. The case study takes place in the Colca Valley in southern Peru, a mainstream and increasingly popular destination. We do not claim this case to be an unmitigated "success" but describe the benefits obtained from tourism by local populations in the districts of Cabanaconde, Tapay and Sibayo, while also noting their respective failures or shortfalls. We suggest that for the positive aspects to be disseminated more widely, and problems to be addressed, there needs to be effective spaces for participation, dialogue and decision-making by different actors. At present there are a number of impediments to this, which ultimately relate to deep-seated problems in the Peruvian society and economy. Thus, there is no straightforward pathway to "successful" tourism in Peru; rather, by opening spaces amenable to social and economic participation by local populations, tourism can be one part of a process of change towards more inclusive and sustainable development.

Keywords Inclusive development • Entrepreneurship • Partnership • Community-based tourism • Peru

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Introduction

In the past decade, Peru has seen rapid economic growth, driven in large part by soaring international prices for mineral exports and the public and private investment this has stimulated within a permissive, "business-friendly" political framework. However, this growth has not trickled down to significant sections of the population, particularly in the rural interior of the country, and in fact economic, social and geographical breaches have widened, helping foment an increasing number of social conflicts (Bidwell, 2011; Toche, 2011). While they differ on questions of strategy and discourse, most Peruvian political parties and social movements recognize the urgent need for more inclusive development. In this context, tourism has been frequently portrayed as a means of diversifying economic growth, generating employment, and providing additional income sources for people in marginalized rural areas while also supporting environmental and cultural sustainability.

Tourism's potential contribution to inclusive development is therefore among the most important criteria for "success" in the Peruvian context, and it is in this light that we have selected the case study of the Colca Valley in southern Peru. Importantly, we do not claim this to be an example of unmitigated success but acknowledge the many limitations and problems with the way tourism has evolved in Colca Valley. However, we argue that individual cases where local populations have responded to the advent of tourism in creative ways provide examples of the alternative spaces for development that can be opened up by tourism.

Other case studies within Peru have been held up as examples of successful tourism. Examples include the partnership between Rainforest Expeditions and the community of Infierno in the southern Amazon (Gordillo Jordan, Hunt, & Stronza, 2008; Stronza, 2000); and the islands of Taquile and Amantani in Lake Titicaca (Cheong, 2008; Gascón, 2005; Zorn & Farthing, 2007), which are much-cited examples of community-led and managed tourism initiatives. More recent research has discussed the mixed results of tourism initiatives related to the development of archeological sites in the northern regions of La Libertad and Lambayeque, which highlight a more important role for regional and local governments (Ranaboldo & Schetjman, 2009; Rendón, 2006). These studies provide important analyses of the dynamics of tourism development, including collaboration, conflict and the variable involvement of local governments. In choosing the present case study of the Colca Valley, we have been guided by two considerations: first, if tourism is to contribute to the objective of inclusive development, as claimed in discourses of governments and development agencies, it must be able to do so in populated areas and along mainstream routes. Second, any study of tourism development should acknowledge the diverse perspectives and motives of different actors, and recognize that the conflicts and problems that arise from this diversity may be as interesting and instructive as the partial successes.

In the first part of this paper, we provide a brief overview of different perspectives on what counts as "success" in tourism, tracing the recent movement from a

focus on environmental sustainability to the reincorporation of economic criteria, especially in writings on "pro-poor" tourism. In the second section, we describe the Peruvian context, showing how significant hopes have come to be vested in tourism as an economic sector that might help promote broader and more inclusive development. In the next three sections, we describe the evolution of tourism in the Colca Valley, with specific case studies of the districts of Cabanaconde, Tapay and Sibayo. We describe the successes in each district and their corresponding problems. We then mention the existence of spaces for dialogue and mutual learning in the Colca Valley and suggest that these might provide ways towards the more (in all its contested senses) "successful" development of tourism.

Theoretical Perspectives on Elements of Success in Tourism

There is an extensive literature debating what counts as "successful" tourism, with a particular attention in recent years to the links between tourism, sustainable development and poverty reduction and claims that tourism can be a "tool for the elimination of poverty" (OMT, 2004). Government and institutional actors have presented tourism as a "positive form of development owing to its capacity for increased GDP, foreign investment, employment creation and poverty reduction" (Baud, Ypeij y Zoomers in Ypeij & Zoomers, 2006, p. 12), while others have suggested that it provides opportunities for "learning, leadership, empowerment and democracy" (Mair & Reid, 2007).

A historical overview of perspectives on success in tourism shows several shifts in emphasis. Tourism has long been recognized as a source of foreign exchange and an impulse for economic growth with notable multiplier effects through its links with other sectors. Tourism is by some measures the world's largest industry. It accounts for 10 % of global employment (Stronza, 2008) and sees the movement of 980 million international travelers per annum (OMT, 2012). On the other hand, tourism can also generate new inequalities, imbalances and conflicts (Gascón, 2005). Some have argued that in certain circumstances tourism merely reproduces a foreign-dominated "enclave" economy that has been associated with underdevelopment and inequality in Latin America in particular (Mowforth, Charlton, & Munt, 2009; Scheyvens, 2002; Schilcher, 2007). Tourism can also damage or lead to the deterioration of the natural and cultural resources on which it depends. In fact, such was the concern about the negative impacts of tourism that the World Bank and the Interamerican Development Bank ceased funding for tourism-related development projects in the 1970s (Honey, 2008).

During the 1980s and 1990s there was an increasing emphasis on sustainability in tourism, associated with the 1987 United Nations Brundtland report on sustainable development. Definitions of sustainability include reference to both human and ecological elements: as suggested by Elizalde (2004), sustainability implies rejecting the capitalist logic of accumulation, and recognizing diversity while rejecting the "fallacy of separateness": human beings do not exist in isolation but

in connection with other beings and the environment. While sustainable tourism proposed to develop economically viable operations that did not destroy the resources on which they were based, ecotourism set the more radical goal of actively conserving the environment and improving local people's welfare (Honey, 2008; Udhammar, 2006). By the end of the 1990s there was a burgeoning literature on sustainable tourism and ecotourism and interest from NGOs, multilateral institutions and development donors, to such an extent that the United Nations declared 2002 the International Year of Ecotourism.¹ However, there has been significant controversy over whether so-called "alternative" forms of tourism have lived up to their claims. In particular, some authors argue that sustainable tourism and ecotourism have either been no different from conventional "mass" tourism or have been driven by a "parks not people" philosophy that has excluded local populations and failed to deliver development benefits (Barkin, 2002; Belsky, 1999; Carrier & MacLeod, 2005; Duffy, 2002; Stonich, 1998; Udhammar, 2006).

In part owing to these criticisms, the past 10–15 years have seen a theoretical reorientation, with more specific emphasis placed on the ability of local populations to participate in or control tourism and to obtain economic benefits while reducing inequalities. This reorientation is based on arguments that tourism is more labour-intensive than most other sectors, more conducive to small or family businesses, has low barriers to entry to the market, offer more job opportunities to women, and brings international markets to marginalized rural areas (Ashley, Goodwin, & Roe, 2001; Ashley & Mitchell, 2008; WTO, 2002). Community-based tourism, (generally referred to in Latin America as rural community tourism) is conceived of as an activity compatible with the existing occupations of rural communities (such as agriculture, herding and craftwork) which emphasizes the tourist experience of "living with" local populations and sharing in their daily activities (Coriolano & Perdigão, 2005; MINCETUR, 2011; Zapata, Hall, Lindo, & Vanderschaeghen, 2011). Its popularity is driven in part by a handful of well-known and "successful" initiatives, including several in Latin America (Borman, 2008; Duffy, 2002; Stronza, 2008; Zorn & Farthing, 2007), in which local populations have not only taken advantage of tourism's opportunities but have also used negotiated their own definitions of tourism to defend their access to resources against extractive industries, expropriation and dispossession (Cordero, 2006; Duffy, 2002; Prieto, 2011; Wearing & Macdonald, 2002; Ypeij & Zoomers, 2006).

In the past two decades there has been a proliferation of community-based tourism (CBT) projects across the developing world, often initiated by NGOs and development agencies in an effort to reduce poverty or promote ecological conservation. In Latin America, there have been a range of efforts to share existing experiences and systematize the implementation of new initiatives (ILO, 2001; Maldonado, 2002, 2003, 2006). Proponents of CBT tend to prescribe specific models of tourism, emphasizing broad local participation and management by the

¹ Within academia, the *Journal of Sustainable Tourism* published its first issue in 1992 and the *Journal of Ecotourism* in 2002.

community alone or in partnership with an outside intermediary such as an NGO, development agency or "responsible" private tour operator (Hockert, 2009; Mowforth, Charlton, & Munt, 2009; Zapata, Hall, Lindo, & Vanderschaeghen, 2011). Benefits claimed for CBT are not just economic and ecological but also increased self-esteem, revalorization of cultural resources, the development of new skills and the creation of new alliances and partnerships (Borman, 2008; Duffy, 2002; ILO, 2001; Scheyvens, 2002).

A number of criticisms have been made of CBT, with some arguing that projects often fail to recognize the heterogeneous logics, diversity and power relations within communities (Belsky, 1999; Prieto, 2011) while others point out that the great majority of CBT projects have not been economically viable due to clumsy management, lack of real demand, poor marketing, or being too far away from mainstream tourist routes (Harrison & Schipani, 2007; Mitchell & Muckosy, 2008; Sancho, 2001; Zapata et al., 2011). Some critics of community-based tourism are among those who promote a broader approach referred to as "pro-poor tourism" (PPT). Rather than prescribing specific models of tourism management, PPT approach aims to "tweak" tourism value chains to deliver "net benefits to the poor" (Ashley, Goodwin, & Roe, 2001; Ashley & Haysom, 2006; Ashley & Mitchell, 2008; Meyer, 2007). PPT aims to unlock economic, social, cultural or environmental benefits for the poor, not only through community-based tourism projects but also through other activities, services or employment linked to mainstream tourism routes; through improved infrastructure linked to tourism development; and through participation in decision-making on tourism. Among the criticisms of PPT are that it lacks theoretical coherence, has been too closely associated with community-based tourism, is unable to consistently define who the "poor" are, and lacks a focus on inequalities (Ashley et al., 2001; Harrison, 2008).

So, given these changing emphases and definitions, what now counts as "successful tourism"? Some authors propose a single, technical definition of success. For example, Zoomers suggests that "for tourism in the Andes to contribute to sustainable development depends on whether its planners manage to (a) attract the appropriate type of tourist (b) control its costs and benefits and (c) protect sites from environmental and cultural deterioration" (in Ypeij & Zoomers, 2006, p. 279). However, a review of more concrete definitions of success in tourism reveals a range of criteria that are not necessarily compatible and may even come directly into conflict. These include:

- Macroeconomic criteria such as total visitors, bed nights or revenue, availability of foreign and national capital and access to financing to begin or improve tourism initiatives (Hampton, 2003)
- Quality-related criteria, including accessibility and availability of infrastructure, services and entertainment (Coriolano & Perdigão, 2005), as well as local capacities, such as language ability or commercial connections (Dulon in Maldonado, 2006; Ypeij & Zoomers, 2006)

- Criteria related to effective planning, the application of national and international policies and the development of new routes and destinations (Dulon in Ypeij & Zoomers, 2006)
- Criteria related to environmental and socio-cultural sustainability (Hockert, 2009; Honey, 2008; Mair & Reid, 2007; Udhammar, 2006)
- Criteria related to inclusive development, such as whether tourism businesses are locally owned, are small-scale (Debbage, 2000), and are established as part of local community development in less-developed countries (Hampton, 2003); as well as the extent to which the economic benefits of tourism are captured by the 'poor' (Ashley, Goodwin & Roe, 2001; Harrison, 2008, Meyer, 2007)
- Criteria related more generally to local participation and control (Binns & Nel, 2002, p. 244; Mair & Reid, 2007; Udhammar, 2006), "strengthening of host groups' cultural identity" (Prieto, 2011, p. 16), the presence of local leadership and the formation of partnerships, community unity, vision, organizational capacity and social capital (Lasso in Prieto, 2011; Lyall in Prieto, 2011; Mair & Reid, 2007)

The differences and potential contradictions in these criteria suggest that there is no single, 'neutral' definition of successful tourism. They underline the need to understand the multiple perspectives and possible conflicts between different actors in the negotiation of tourism development. In the following section, we describe the success criteria that have become most prominent in Peru.

The Peruvian Context: The Role of Tourism in Inclusive Development

Understanding perspectives on successful tourism in contemporary Peru requires some background on the nation's historical social and economic context, particularly the socially destabilizing problems of poverty and inequality that have persisted despite high economic growth over the past decade. Historically, underdevelopment in Peru has related to two linked themes: the legacy of its post-Conquest history of exploitation and social stratification (Peru was the political and administrative centre of the Spanish empire in South America); and its ongoing position as a 'resource periphery' in the international economy (Cardoso & Faletto, 1979; Drinot, 2006; Friedman, 1984; Kay, 1982; Thorp & Bertram, 1978).

Post-independence, the Peruvian economy was driven by a series of "booms" relating to the export of raw materials, including guano, rubber, saltpeter and wool in the nineteenth century, with petroleum and minerals taking on more importance in the twentieth and twenty-first centuries. These booms tended to be economically and environmentally unsustainable; their benefits were concentrated in the hands of a few, often foreign, interests; and they did little to generate long-term employment or dynamize other sectors of the economy (Thorp & Bertram, 1978). The economic

dependence on the export of raw materials has been complemented by the fitful development of democracy, interrupted by periods of authoritarian government, notably in 1948–1956, 1962–1963, 1968–1979 and 1992–1999. This has tended to further debilitate an already weak civil society and hinder the development of effective and democratic institutions (Drinot, 2006).

Following the return of democracy in 2000, Peru's economy has grown rapidly, fuelled by a mineral extraction boom which, owing to the level of participation by foreign investors, sees 7 % of GDP lost in profit remittances (Dancourt, 2008). Social progress has been much slower: although the sheer scale of growth during the most recent minerals boom has had "trickle down" effects such as a notable reduction in the headline poverty figure (see Fig. 12.1), social breaches have actually widened, with poverty remaining persistently high in the sierra, rural areas, and in certain regions of the country (Bidwell, 2011; Bidwell & Murray, submitted for publication (b)). Uneven development has fomented an increasing number of social conflicts, many relating to disputes over the ownership and use of natural resources, especially in regions that have been targeted for investment by extractive industries and also where there is most concentrated poverty and exclusion (Hinojosa et al., 2009; Toche, 2011).

Although proposed strategies differ, most Peruvian political parties and social movements recognize the urgency of moving towards inclusive development. This sees economic growth as just one crucial aspect to contribute "(. . .) to the advancement of other aspects related to policies of inclusion, cohesion and social integration" (Rojas Aravena, 2011, p. 15). Such objectives require not only redistributive social programs but also diversified economic activities that will generate employment and support decentralization and stronger institutions (Rojas Aravena, 2011).

It is in this context that tourism has come to the fore and inherited a range of expectations that currently provide the most prominent criteria for "success". Tourism has been proposed as a source of economic diversification, a means of contributing to regional and national integration, and an alternative income source that helps improve living standards and promotes social inclusion in marginalized areas such as the rural sierra. As an example of this discourse, current president Ollanta Humala argued in a television interview during the 2011 election campaign that:

We can't now be so irresponsible as to believe that international [mineral] prices are going to stay high for 10 or 20 years; that's not sustainable over time. This is the moment, now there's income, to stabilize and consolidate economic growth through other productive activities such as **tourism**, such as agriculture, agro-industry, agro-exportation, pastoral farming, [and] national industries.

(Panamericana Television 2011, author's translation and emphasis)

Tourism certainly has the scale to make an impact. Peru now receives nearly 3 million international visitors per annum and tourism contributes 3.7 % of GDP (CAN, 2011), generating the equivalent in foreign currency of 10 % of exports

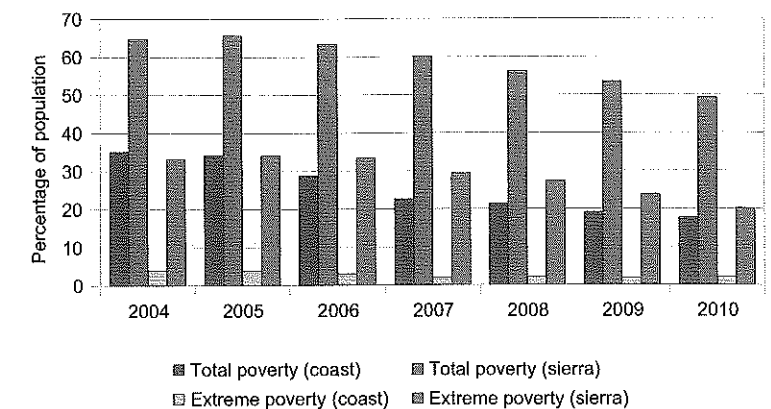


Fig. 12.1 Poverty and extreme poverty on the Peruvian coast and in the sierra, 2004–2010. *Source:* own elaboration from INEI (2010a, 2010b), accessed March 2012

(MINCETUR, 2010).² The General Tourism Law declares tourism to be of “national interest” and signals the National Strategic Tourism Plan (PENTUR, for its initials in Spanish) as its principal planning tool. Public sector representatives, call for “urgent action” and stress the “need to develop a shared vision” of tourism in Peru.³ However, it is not just at governmental level that tourism is seen as a priority to achieve inclusion. Tourism has also been proposed as an alternative by local populations seeking economic development or resisting the incursion of extractive industries, in Ecuador and Bolivia as well as in Peru (Borman, 2008; Enlace Nacional, 2007; Zorn & Farthing, 2007 citing Monte, 2005).

The Ministry of Foreign Commerce and Tourism (MINCETUR for its initials in Spanish) is the public entity responsible for regulating and developing tourism in Peru. Its principal goal for the year 2018 is to “establish sustainable tourism as a tool for the socioeconomic development of Peru” (MINCETUR, 2008a). To this end it has set specific objectives including: fomenting investment in tourism; improving and developing new products and destinations; creating models of tourism management that promote inclusion; promoting the competitiveness and access to international markets of linked products such as craftwork; and ensuring the sustainable use of natural and cultural heritage.

Progress is evaluated through a series of indicators that provide a “measure of success” (MINCETUR, 2008a). The PENTUR defines eight “destination virtues” which are largely market and quality-related (such as adequate infrastructure and services, genuine demand, and a marketing image) but also include the existence of a “space for public-private collaboration” and the development of a regional

²The main attractions include destinations such as Machu Picchu and Cusco, Arequipa and Lake Titicaca in Puno in the south; Huaraz, Trujillo and Lambayeque in the north; Iquitos, Tambopata and Manu in the jungle; and Lima, the capital city.

³Exploratory interviews conducted in MINCETUR’s Vice-ministry of Tourism (May, 2012).

strategic tourism plan (PERTUR for its initials in Spanish). There is also a National Tourism Quality Plan (CALTUR, for its initials in Spanish), which aims to "promote competitiveness" and whose objectives include the development of competent human resources, responsible business practices, sustainable use of tourist sites, and secure and well-managed destinations (MINCETUR, 2008b).

It may be argued that these existing indicators of "success" for MINCETUR can be related to a "neoliberalist" or "reformed neoliberal" paradigm, in which a singular emphasis on economic growth is replaced by broader criteria of international competitiveness and social coordination (Leiva, 2008). However, within this general approach, there has also been specific emphasis placed on the: "involvement of rural populations (...) to make an important contribution to the governance of tourism" (MINCETUR, 2011, p. 3). Recent years have seen the development of a national program dedicated to rural community tourism (TRC for its initials in Spanish). The TRC program began in 2006, based on the "existence of ideal natural spaces with rich natural and cultural resources... (and) changes in visitor needs and preferences, oriented toward the desire for experiences" (MINCETUR, 2011, p. 4; MINCETUR, 2008c); as well as on the potential of tourism as "an activity with economic benefits" that "constitutes a tool for development" and in rural areas can "include populations that for years have lacked opportunities linked to social, economic and environmental development" (MINCETUR, 2008c, p. 5).

The national TRC program has proceeded through a series of national conferences and through the designation of "pilot sites" in regions of the country considered to have high potential for rural community tourism and to obtain benefits from PPT approach (including Sibayo, discussed in this chapter). Guidelines for rural community tourism were developed in 2006 (MINCETUR, 2006). The broad intention of the program is to provide orientation and technical assistance to build on existing initiatives developed by local entrepreneurs or fomented by NGOs and development agencies, "with success in some cases but in others with negative results owing to the omission of basic principles of tourism development" (MINCETUR, 2011, p. 4).

A subtle shift in emphasis can be detected within policies and discourses on rural tourism in Peru. For example, the 2006 guidelines prescribe the development of specific models of community-managed tourism. More recent publications and our own interviews indicate a more flexible vision, in which local populations may be drawn into the tourism value chain in a variety of ways, such as through the development of alternative activities and attractions within the sphere of "anchor attractions".⁴ In the official tourism development strategy, MINCETUR signals that it has passed from a "poverty focus" to an "entrepreneurial focus" which promotes "viable and sustainable businesses" to "generate sustainable wealth and inclusion" (MINCETUR, 2011). Indeed, in recent discussions, representatives of MINCETUR indicated they now see the economically viable integration of local populations into

⁴ According to an interview with the National Director of Tourism Product Development at MINCETUR (May 2012).

the tourism value chain as the single most important success element for tourism in Peru.⁵ Thus, although a closer view will reveal different and even contradictory logics related to tourist activity, current national policies on tourism broadly correspond with the demands of social movements and local populations that see tourism as offering opportunities for their economic and social empowerment.

To be successful on these terms, tourism development will need to differ from that seen to date in Peru's most prominent destinations: Cuzco and Machu Picchu. Total visitors to the Machu Picchu archaeological sanctuary saw a sixfold increase from 160,000 to 916,000 from 1995 to 2008 (Autocolca, 2006; INE, 2011). Yet in Cuzco, poverty remained persistently high, reducing just 2 points from 53 % in 2004 to 51 % in 2009 (INEI, accessed July 2011). The concentration on Machu Picchu has meant that a high proportion of the benefits of tourism have tended to flow to large investors such as the multinational-owned Peru Rail, which has maintained monopoly control of transport between the archaeological site and the city of Cuzco (*The Economist*, 22 April 2010). Existing studies argue that in general, the development of tourism in Cuzco has been dominated by urban interests and has excluded the rural peasant population (Hill, 2007, 2008; van de Berghe & Flores Ochoa, 2000).

In the Colca Valley of Arequipa, which now competes for the title of the second most popular destination in Peru,⁶ tourism development has been quite different. Tourism in the Colca has evolved in a spontaneous way, with relatively little participation by large investors, and it is largely mediated by small regional and local business. Although this style of development has brought its own problems, it has allowed spaces for significant participation by local populations, which has met at least some of the criteria for success discussed above. In the following sections we describe examples of these successes and note their corresponding limitations.

Local Context of the Colca Valley

The Colca Valley is a mountain basin bordered to the north and south by peaks of up to 6,300 m, located entirely within the province of Caylloma in the region of Arequipa, southern Peru (see Fig. 12.2). At the valley's western end the combination of seismic and hydrologic action has created a dramatic canyon that by some measures is the world's deepest.⁷ The most accessible entrance to the valley is reached in approximately 3 h by road from Arequipa city (urban population

⁵Information provided by the head of the CBT Programme at MINCETUR (May 2012). Arguably, this represents a move from a "community-based tourism" approach to more of a "pro-poor tourism" philosophy.

⁶Along with the Nazca Lines and Lake Titicaca.

⁷There continues to be scientific debate about the respective dimensions of the Colca and Cotahuasi canyons (both in the region of Arequipa, Peru).

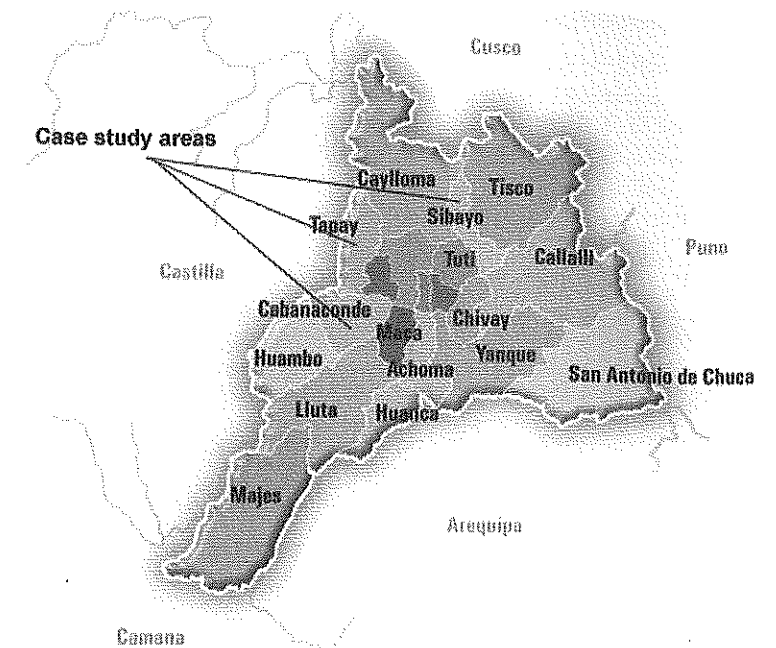


Fig. 12.2 The case study districts of Cabanaconde, Tapay and Sibayo within the province of Caylloma, department of Arequipa. *Source:* Modified from <http://es.wikipedia.org>. Modified by Bidwell from Toccallino (Public) [CC0 1.0 (<http://creativecommons.org/publicdomain/zero/1.0/deed.en>) via Wikimedia Commons (http://es.wikipedia.org/wiki/Provincia_de_Caylloma)

870,000), leading to the provincial capital of Chivay (population approximately 6,500), from where roads diverge to the upper and lower parts of the valley.

The Colca has been populated for thousands of years, with agricultural development influenced particularly by the Wari "horizon culture" (approximately 600–900 AD) and the Incan empire from approximately 1450 AD. As with many parts of Peru, the Spanish conquest saw dramatic depopulation due to disease and forced labour in nearby mines. In 1580 the Spanish Viceroy Toledo ordered the valley's scattered population to be forced into *reducciones* lining the north and south banks of the Colca River. These formed the basis of villages which have become the present-day district capitals. During Peru's nineteenth century wool export boom, white and mestizo migrants annexed large areas of land and created haciendas that endured until land reforms in the 1960s (Autocolca, 2006). The most important transformation in the twentieth century was brought about by the Majes Project, a major State-led initiative in the late 1960s to dam the upper Colca River and divert its water to irrigate the Majes plains, an arid area between Arequipa city and the coast. The roads and tunnels constructed by the project improved transport links into and through the valley. However, the project was also socially, economically and environmentally destabilizing, and local residents were largely marginalized

(Gelles, 2000; Paerregaard, 1997). It was not until residents of the village of Cabanaconde took direct action, blowing a hole in the irrigation canal and diverting water to feed their own parched fields, that state authorities agreed to allot a quota of irrigation water to each district (Gelles, 2000; personal communications). Today, agriculture and herding continue to be the main economic activities of the majority of the Colca Valley's population. The impact of steady outward migration is illustrated by the fact that the 2007 population of 33,000 people had reduced slightly since 1961, while the population of both Peru and the Arequipa region approximately tripled over the same time period (Bidwell, 2011).⁸

Thus, many aspects of the Colca Valley's history reflect themes common throughout Peru: periods of exploitative, unsustainable economic activity, social stratification based on race and later culture and ethnicity, and profound imbalances between dynamic urban centers and impoverished rural areas. The entry of tourism as a new economic activity since the 1980s provides a test of its potential to generate a more inclusive form of development.

The Evolution of Tourism in the Colca Valley

Tourism to the Colca Valley was made feasible by the improvement of road links to Arequipa brought by the Majes Project, while national and international attention was captured by a Polish expedition that rafted down the Colca River in 1981 and estimated the Colca Canyon to be the deepest in the world. In 1986, the tourism potential of the area was recognized through the creation of Autocolca, an autonomous public entity charged with overseeing tourism development in the region. However, it was in the mid 1990s, when the downfall of the Shining Path saw international visitors flow back to Peru, that tourism to the Colca Valley grew rapidly. In addition to the spectacular scenery and diverse local cultural manifestations, the Colca's trump card for tourism was the Andean condor. A particularly striking vantage point for seeing condors is the *Cruz del Cóndor*, a roadside lookout in the Cabanaconde district, where the world's largest flying birds glide upwards on morning thermals just metres from watching tourists (see Fig. 12.3).

Arequipa-based travel agencies established what became known as the "conventional" tour to the valley: a two-day sightseeing trip in minibus with a night spent in Chivay and a morning visit to the *Cruz del Cóndor*. An alternative, which by 2010 was attracting approximately 20 % of visitors,⁹ was the canyon trekking tour, a two to three-day walking circuit linking the village of Cabanaconde and the natural oasis of Sangalle by the Colca River. Autocolca has tracked tourist numbers

⁸ The 2007 Colca Valley population is derived from the Census for Caylloma province minus the population of the Majes district, newly created and incorporated into Caylloma since 1993 (Bidwell, 2011).

⁹ Based on observations undertaken by Bidwell in 2010 and 2011.

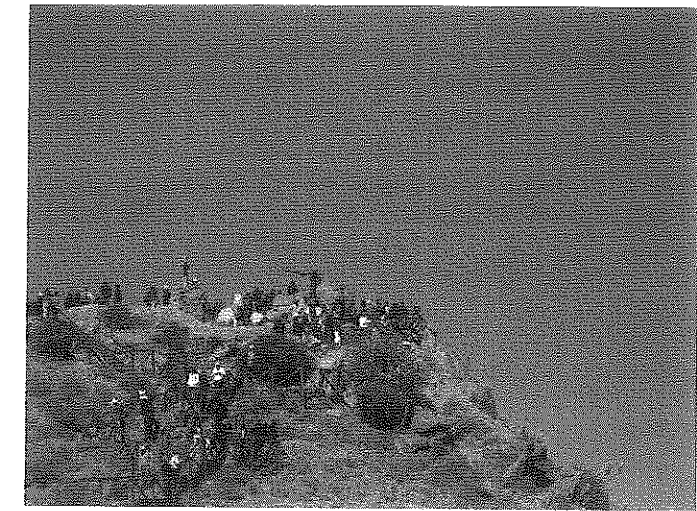


Fig. 12.3 Tourists at Cruz del Cóndor watch the flight of the Andean condor. *Source:* Rendón

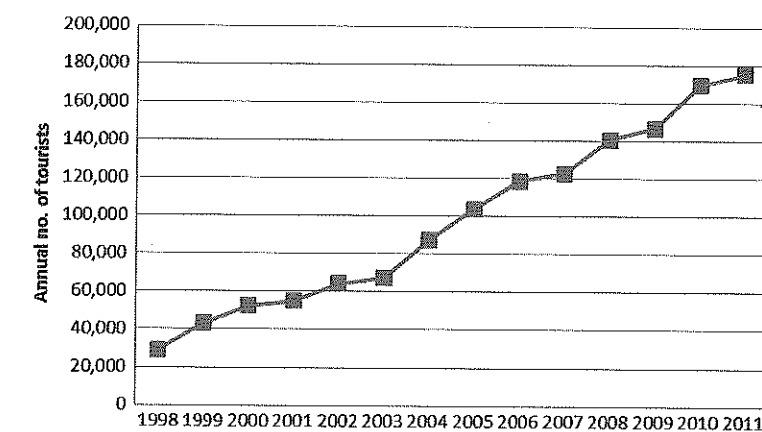


Fig. 12.4 Growth in reported tourist visits to the Colca Valley, 1998–2011. *Source:* own elaboration from data retrieved from <http://www.autocolca.gob.pe>, May 2012

since 1998, when it began to charge a tourist ticket for entry to the valley. By 2011, reported annual tourist numbers had risen to 175,000, including around 115,000 international tourists. Tourist flows had more than doubled since 2003 and grown fivefold since 1998 (see Fig. 12.4).

To what extent can this growth be counted as a success in terms of contributing to inclusive development? Given the stated objective of Peru's tourism strategy to take advantage of the nation's existing natural and cultural resources (MINCETUR, 2008a), the fact that the Colca has become a major tourist destination without significant external investment or modification of the environment, makes it an

interesting and important case study. However, local evaluations of tourism's impacts, as showcased at a conference in Chivay in April 2010 and a workshop in Arequipa in June 2012, have been distinctly ambivalent. While broad economic and infrastructural benefits are recognized, criticisms include the "disorderly" and excessively competitive nature of tourism development, increasing dominance of urban tour operators, neglect of peripheral districts, adverse cultural influences and environmental contamination.

It is undeniable that tourism in the Colca Valley has problems, some of them significant and requiring urgent redress. However, it is precisely the "messy" and problematic nature of tourism in the Colca Valley that makes the positive aspects achieved locally interesting and instructive. The following section provides a brief account of local engagement with tourism in three Colca Valley districts that are distant from the urban epicenter of Chivay and provide contrasting examples of elements for tourism success.

Successes and Shortfalls: The Examples of Cabanaconde, Tapay and Sibayo

The districts of Cabanaconde and Tapay are located, respectively, on the south and north side of the Colca River and share the steep canyon terrain through which passes the trekking circuit linking Cabanaconde village to the "oasis" of Sangalle (see Figs. 12.5 and 12.6). Agriculture is the main occupation of both districts, with the maize grown organically on terraces around Cabanaconde famed for its quality. However, while Cabanaconde is the largest urban centre of the lower valley (population approximately 3,000), and has the valley's second-highest average income (INEI, 2010a, 2010b), Tapay's population of around 700 is scattered in small settlements along the canyon, and it is the poorest, most isolated district in the valley, with the great majority of the area lacking sanitary infrastructure (Bidwell, 2011). The two districts share a long history of strong outward migratory flows, which in the case of Cabanaconde has resulted in a significant number of international migrants, particularly in the United States. Ethnographic studies have shown how these migrants have maintained links to their home districts and through episodic or permanent return migration have had important influences on local economy, society and culture, including the responses made to tourism (Gelles, 2000; Paerregaard, 1997).

The most notable success element in Cabanaconde and Tapay is the way in which local residents responded spontaneously, in innovative and resourceful ways, to the arrival of tourism. The most prominent local participants in tourism were the families who established accommodation and restaurant services, beginning in the late 1980s, as international tourists began to find their way into the canyon. By the late 1990s, others established spaces for tourist accommodation in the natural oasis of Sangalle, as well as building swimming pools fed by local thermal springs.



Fig. 12.5 Group of trekking tourists about to depart Cabanaconde for the Colca Canyon. *Source:* Rendón

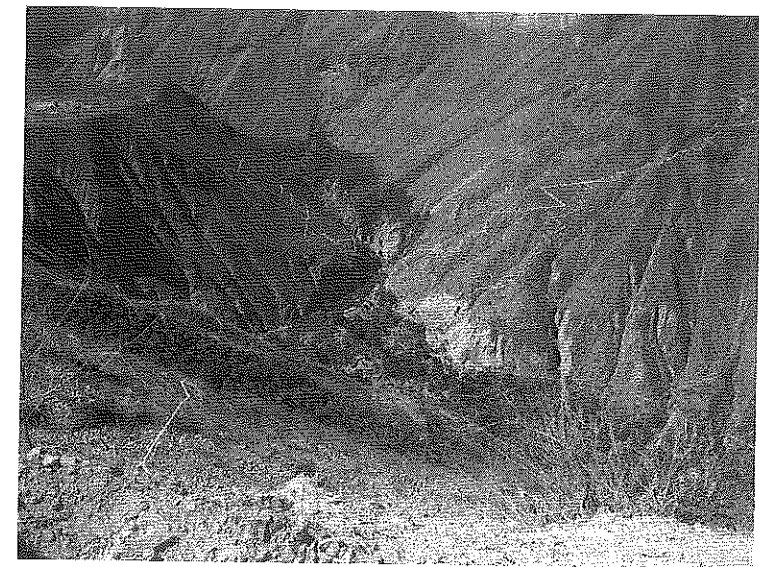


Fig. 12.6 Trekking trails connecting the 'oasis' of Sangalle in the Colca Canyon to the districts of Tapay (*left*) and Cabanaconde (*right*). *Source:* Bidwell

By 2010 there were at least 20 local accommodation providers across the two districts, ranging from basic shelter to an architecturally designed three-star hotel in Cabanaconde.

It is important to note that the local entrepreneurs that benefited from the arrival of tourism were not necessarily historically privileged "local elites". Although Gelles (2000) describes the historical dominance of a few powerful families of Spanish descent in Cabanaconde, these traditional hierarchies had largely broken down following the 1960s agrarian reform. More important were the migratory experiences in the cities of Arequipa and Lima, which had provided education, capital and business savvy necessary to engage with tourism (Bidwell & Murray, submitted for publication (a)).

Other residents of Cabanaconde gained economic benefits from tourism through acting as guides (mainly men) or selling crafts, food and drinks at the *Cruz del Cóndor* lookout point (mainly women). Guiding tourists through the canyon was originally undertaken informally, but during 2000–2001, approximately 40 residents received practical courses in guiding supported by Arequipa's Catholic University, Autocolca and the Spanish development agency (AECID). Around the same time, a group of women began to travel to *Cruz del Cóndor* to take advantage of the lookout's increasing popularity as a tourist destination and sell food, drink and crafts. For these residents, connections to the tourism value chain helped diversify incomes limited by the single annual harvest possible in the region's harsh climate. Residents also welcome the presence of visitors, who "help us to face the loneliness and isolation of working in agriculture in the fields".¹⁰

As will be discussed later, local benefits from tourism have been far from evenly spread. However, it is undeniable that a number of residents have made a commercial success of tourism operations while others have been able to diversify their livelihoods, providing a buffer against poverty and enabling inter-generational progress. This has been achieved almost entirely without outside assistance and through considerable resourcefulness, which, as argued by Bidwell & Murray (submitted for publication (a)), runs counter to the frequent depiction of local rural populations as passive and requiring assistance from "responsible" or "well prepared" outsiders or intermediaries (Wearing & Macdonald, 2002), usually consultants or experts from NGOs and governmental organizations (Mitchell, 2002), to engage with tourism.

The district of Sibayo¹¹ has been held up as an example of success for completely different reasons to the lower valley districts. As the concept of rural community tourism has been gaining currency at a national level, Sibayo has gained fame as an example of how a community can organize itself and form partnerships with outside agents in order to engage with tourism. Census data suggests that Sibayo falls between Cabanaconde and Tapay in terms of poverty levels, education, availability of infrastructure and services, and proportion of first-language Quechua speakers (Bidwell, 2011). In other respects, it is distinct from the other two districts: around half of Sibayo's population (approximately 800 people) is spread out

¹⁰ According to informal interviews carried out in Cabanaconde, July 2012.

¹¹ Located in the upper part of the Colca Valley, approximately one hour by road from Chivay.



Fig. 12.7 A group of women from the Sibayo tourism association await the arrival of a tour group.
Source: Bidwell

through peripheral settlements and farmsteads above 3,800 m. With agriculture mostly not feasible, the principal activity is herding alpacas, llamas and cattle. Migratory flows from Sibayo are more circumscribed than from Cabanaconde and Tapay, with proportionately fewer migrants in Arequipa and Lima and more in nearby Chivay (Bidwell, 2011). As a result, the population is considerably more homogenous.

According to interviews conducted in 2010 (Bidwell, 2011), the origins of Sibayo's tourism project lay in the development of the district strategic plan in 2000. Undertaken through a participative process led by the municipal government, the plan defined tourism as one of the district's four "axes of development", intended to link to and dynamize the other three: alpaca herding, craft production, and trout fishing. Associations were formed to facilitate collective action in each of the principal productive activities, including tourism. The unique stone architecture of the district's "old town"—which had become partly abandoned in the 1970s—was identified as a key tourist attraction. During 1999–2001, the municipality issued a series of bylaws (*ordenanzas*) requiring maintenance of the stone buildings and preventing the use of materials such as corrugated iron in the old town. In 2005, support was obtained from Spanish development agency AECID to recuperate stone houses and convert them into *casas vivenciales* suitable for lodging home stay tourists (Bidwell, 2011).

By 2010, 12 families had *casas vivenciales* and were receiving tourists. A rotational system managed by the local tourism association ensured that each family received an equal number of tourists (see Fig. 12.7). In 2008, the first year of operation, approximately 600 tourists visited Sibayo but by 2010 the annual total

had not yet surpassed 1,000 (personal communications). Most arrived in tour groups through three different agencies in Arequipa and stayed just one night. However, participants in the tourism association stressed that they had received other, non-economic benefits including increased self-esteem and confidence and a number of learning opportunities. A key factor in Sibayo has been the way in which outside help from a diverse range of governmental, non-governmental and international institutions has been integrated into a cohesive development program. The role of the municipal government was key in providing a link between the population and outside agencies and in coordinating the disparate contributions of these agencies.

While each of these case studies provide instances of local participation in tourism and the achievement of development benefits, they also reveal problems and shortfalls, which when examined closely, are related to the very characteristics which have brought "success". In Cabanaconde and Tapay, the correlate of individual entrepreneurship and innovation has been lack of coordination, destructive competition and outright conflict. What may be characterized as longstanding "competition, factionalism and envy" within the community (Gelles, 2000, p. 34) has bedeviled the local tourist economy almost from the beginning. As a result, local participants have been unable to respond adequately to the increasing dominance of Arequipa-based tour operators, which have proliferated since government deregulation of the of the industry in 2005, and have forced down prices, excluded local guides and effectively bypassed Cabanaconde village (the main population centre). Local tourism services have been forced into fractious, zero-sum competition for independent tourists, including through unsustainable lowering of prices. In addition, there has been little effort to link traditional livelihoods to tourism, despite the potential for agro-tourism, to cite one example. The majority of residents who are not involved through services or commerce currently have little connection to tourism and receive few benefits.

In Cabanaconde, one factor is the different migratory histories of tourism entrepreneurs (some long-term residents, others recent return migrants with strong links to urban Arequipa or Lima), and the increasing involvement of inward migrants to the zone. This has seen contested identities of "local" and "outsider" overlaid on existing economic inequalities and social differences (Bidwell, 2011). However, in Tapay, which at face value is more homogenous with fewer historical inequalities, there has been just as much disunity.¹²

In Sibayo, despite the admiration which the district's rural tourism program has received from NGOs and state agencies, it has problems that are arguably just as important as in Cabanaconde and Tapay. Quite simply, at present there are insufficient tourists compared to the expected numbers. Despite all the efforts to develop

¹² Bidwell & Murray (submitted for publication (a)) suggest that a reason for this is that local tourism initiatives have been more closely associated with the urban business and employment experiences of return migrants, rather than the (somewhat) more structured and cooperative village life.

infrastructure and skills, tourism in Sibayo is commercially marginal. A survey conducted by the regional government's tourism ministry in 2011 estimated that each family with a *casa vivencial* was receiving PEN 120 (US\$ 44)¹³ per month from tourism (less than one-sixth the minimum wage, and not counting costs incurred).¹⁴ For access to the tourist market, Sibayo relies on three Arequipa-based tour operators, who generally include a one-night visit to the village as part of a wider package: some distance from the *turismo vivencial* and cultural exchange envisioned by the Sibayo tourism association. Tourism has also had little dynamizing effect on the local economy, unless the considerable resources invested directly by NGOs and development agencies are taken into account.

As in Cabanaconde and Tapay, it can be argued that strengths and weaknesses are intimately related. The carefully planned and coordinated development of Sibayo's tourism project has arguably been facilitated by the very problem that has limited its progress: the lack of commercial pressures from a genuinely dynamic market. While the strict principles of equity and transparency maintained by the tourism association are laudable, they have not yet been tested.

Tourism in Cabanaconde, Tapay and Sibayo will likely continue to evolve in different ways, determined by local social and cultural aspects as well as the different niche each one occupies in the tourism market. It is unlikely that Cabanaconde will ever develop into an orderly model of community-based tourism. The community is simply made up of too many diverse parts, with influences pulling in to many directions. Similarly, Sibayo is unlikely to see the volumes of tourists that arrive to the lower valley.¹⁵ Its subtle charms based on culture and livelihoods do not have the instant mass appeal of condors and the jaw-dropping canyon landscape. Nevertheless, although neither locality is ideally "successful" (according to the criteria of inclusive development, sustainability and coordinated planning) there is potential for each locality to advance through mutual learning.

For example, the efforts made in Sibayo to link local livelihoods with tourism are exactly what are lacking in Cabanaconde and Tapay, preventing a more dynamic engagement between tourism and the local economy and a greater sense of collective local ownership. Ironically, the lower valley has the tourist flows that could make such linkages work; while the range of productive niches and activities means that

¹³ The exchange rate used is PEN 2.7 = US\$1.

¹⁴ This information was provided during an interview with the coordinator of the regional government tourism office's CBT programme (July 2012). It is consistent with the data collected by Bidwell (2011) but differs significantly from the data provided to Peru's Ministry of Foreign Commerce and Tourism (MINCETUR, interviews carried out in May 2012) which reported that tourism entrepreneurs in Sibayo were receiving PEN 583 (US\$ 216) per capita per month, information that the authors consider implausible as it cannot be made consistent with available data on number of visitors, nights stayed and prices charged.

¹⁵ Some data indicate that a single *hospedaje* in Tapay, away from the main trekking route, received as many visitors in 2010 as the entire village of Sibayo (Bidwell, 2011).

opportunities are perhaps more noticeable than in Sibayo. What has been missing is the ability to identify, plan and to work together to take advantage of these opportunities. These shortfalls are now widely recognized. There is a growing consciousness among local authorities, tourism service providers and the population in general that, in the words of one research participant: "we ought to promote what is ours" (Bidwell, 2011) and that there must be wider community involvement and ownership. The actions taken in Sibayo demonstrate this wider community involvement could be achieved, and indeed, there have already been initiatives by local NGOs to organize practical experiences and learning exchange in Sibayo involving tourism entrepreneurs from other districts such as Cabanaconde.

There has been less recognition that Sibayo might learn something from Cabanaconde and Tapay. Although much attention is given to the individualistic and disorganized nature of tourism providers in the lower valley, it is also worth acknowledging their resourcefulness and creativity in the context of a competitive and changing market. Most of those involved in tourism in the lower valley have never received any outside support. In addition, those in Tapay and Sangalle have established their operations in some of the most difficult terrain imaginable: 1,000 vertical meters and at least two hours by foot or mule from the nearest road. While price-based competition has been an unfortunate response to market pressures, many providers have also adapted through innovation and improvement. Local tourism service providers have used a range of strategies to maintain direct access to the tourism market, some of which rely on their links to urban Arequipa. These include children and relatives gaining education and working in tour agencies or as professional guides; effective use of the internet; and word of mouth (a mark of service quality).¹⁶ We would suggest that tourism entrepreneurs in Sibayo have something to learn from the experiences of Cabanaconde and Tapay in the areas of commercialization and adaptation to a changing and demanding market.

There are also possibilities for more direct alliances: the high-quality craft weaving of Sibayo could be commercialized by the tourism entrepreneurs of the lower valley, with their much greater access to tourism markets (at present they mainly sell cheap items imported from elsewhere in Peru), while greater collaboration between groups of entrepreneurs and local governments could see the development of alternative routes based on the diverse natural and cultural heritage of the valley, at present largely ignored by the stereotyped circuits of Arequipa-based tour operators.

¹⁶ Tourism entrepreneurs have also continued to find novel ways to overcome the challenges posed by geography. For example, the first electricity supply in Sangalle was established in 2010 using a small generator powered by falling spring water.

Spaces for Dialogue and Partnership in the Colca Valley

In the preceding case study, we have suggested that, although tourism in the Colca Valley has had ambiguous results and suffers from notable problems, there are striking examples of "successes" where local populations have made creative responses to tourism and have achieved effective collaboration between different actors (Sibayo) or economically viable incorporation of local entrepreneurs in the tourism value chain (Cabanaconde and Tapay). Although these successes are balanced by weaknesses and failures, these could potentially be addressed by mutual exchange and learning.

The bases for mechanisms that facilitate such exchange and learning have been established, although there is still a long way to go for them to be effective. During the 2000s, a growing number of NGO, governmental and international cooperation agencies became interested in linking tourism and development in the Colca Valley. In late 2008, the various cooperation agencies created the *Comité Técnico de Turismo* (Technical Tourism Committee), a group which met approximately monthly to share and discuss their respective actions.

There have also been significant efforts by the various development agencies to promote the organization and association of local communities and entrepreneurs, although these efforts have been overlapping and uncoordinated. In a few cases, these initiatives have been sustainable and relatively effective, such as the case of the Sibayo Tourism Association (ASETUR), where they have gelled with the existing efforts of local populations. In other cases, (such as the efforts by NGO Grupo GEA to create consortiums of local providers organized along "micro-corridors" of geographically adjacent districts), organizations have been formally established but have not outlasted the completion of the respective project.

There are a number of factors that limit the further advancement of coordinated planning in the tourism sector. Among the most important has been the role of Autocolca tourist authority. From its creation in 1986, Autocolca's governance was dominated by regional government and business representatives and many Colca Valley residents considered that little benefit from the tourist ticket flowed to the local population. In 2005, a group of Colca Valley residents undertook a general strike, blocking the entrance to the valley and demanding the devolution of Autocolca's administration to provincial level (as well as the improvement of the road to provide better access into the valley). These demands were acceded to and the Peruvian Congress, which modified Autocolca's legislation, passing administration to the provincial government of Caylloma and restructuring the governance board to include a majority of provincial and district representatives (Adaui Rosas & Ojeda, 2005).

According to inclusive development discourses, this move to local control was a positive step. However, with Peruvian local governments usually lacking the capacity for medium and long-term tourism planning (Rendón, 2006) as well as continuing to suffer from insufficient separation between institutional and political motives, it has also made Autocolca vulnerable to becoming a vehicle for the provincial government of the day. Many stakeholders are critical of Autocolca for

what they see as improvised decision-making and lack of transparency, consultation, coordinated planning or evaluation (Rendón, 2006).¹⁷ With Autocolca having the most important legislated role and easily the largest budget of any actor involved in tourism in the Colca Valley, its disconnection from other actors is a significant obstacle.

Another limiting factor is the lack of participation by or representation of the private sector (in its broadest sense) in the debate and planning of tourism development. This is true in Arequipa city as well as in the Colca Valley. In general, gremial organizations of hotels and travel agencies have attracted participation by only the most formal and well-capitalized providers, while the great majority of tourism businesses are informal or semi-formal micro-enterprises (Bidwell, 2011; Bidwell & Murray, submitted for publication (b)). Almost all tour guides are employed on a casual basis, and their various associations have struggled to be either representative or effective participants in tourism debates.

Ultimately, the problems that beset tourism in the Colca Valley are reflections of fundamental challenges for Peru as a society. The disorganized and overly competitive small business sector is related to the historically narrow economic development that has generated structural inequalities and insufficient formal employment (Bidwell & Murray submitted for publication (b)); while the weakness of democratic institutions is also a legacy of extended periods of authoritarian government and the profound inequalities and exclusion within Peruvian society (Drinot, 2006). Thus, there is a case of the chicken and the egg: tourism is presented as a new, diversifying and dynamizing factor that will help heal the breaches in Peruvian economy and society: at the same time its "successful" development is limited by the very problems it is supposed to help overcome.

It must also be acknowledged that even if there were effective participation of different actors, there would be no ideally "successful" model of how tourism should develop. While documents such as PENTUR propose coordinated and collaborative planning, different stakeholders may have very different views on what counts as "success" or what could be considered as "inclusive development". For example, actors in charge of cultural conservation such as Peru's National Cultural Institute (since 2011 incorporated into the Ministry of Culture), ruled by mainly punitive norms, have tended to emphasize the conservation of natural and cultural features in their original state and are opposed to the hybridization and uncontrolled commercialization of these features. Yet, these are exactly the strategies that have been used by some local populations in the Colca Valley to insert themselves into the tourism value chain and gain additional income. We suggest that there is ultimately no "most successful" balance between these priorities.

¹⁷For example, in late 2011, Autocolca doubled the price of the tourist ticket from PEN 35 to 70 (US\$ 13 to \$26), a move criticized by many other stakeholders, including the regional government's tourism office and NGOs as well as many local entrepreneurs who reported suffering from a reduction in income as tourist volumes dropped.

Conclusions

High expectations have been set for tourism in Peru as a source of economic diversification and inclusive development. Unlike some other countries where mass tourism has had a greater proportional impact and where success may be associated with limiting tourism's negative effects, in contemporary Peru tourism is seen by most actors as a potentially positive force.

We have argued that if these expectations are to be realized, tourism will have to be successful along mainstream tourist routes and at a significant scale. For this reason, we have discussed the flawed development of tourism in the Colca Valley, an increasingly popular destination where tourist demand is based on existing natural and cultural features and which, unlike Machu Picchu, is not dominated by external investors. The case study includes different experiences in the districts of Cabanaconde, Tapay and Sibayo that show how local populations have made creative responses to tourism, obtaining certain benefits and supporting economic and social changes that may lead to more inclusive development.

The nature of these achievements may be counted as "successes" in the context of the historical marginalization of Peruvian rural populations. The specific advances, as well as their limitations, relate to the social and cultural characteristics of the respective communities (cosmopolitan and entrepreneurial in Cabanaconde and Tapay and more homogenous and close-knit in Sibayo), as well as to the different types of market demand and the distinct interventions of government, NGOs and international development agencies. Importantly, these examples show how local populations can be leaders in responding to tourism, and do not necessarily rely on outside agents to act as intermediaries.

For these success elements to be disseminated more widely and for problems to be addressed, there needs to be further development of spaces for debate, dialogue, collaborative partnerships, and creative responses to conflict. To date, a number of limiting aspects have stalled or rendered less effective the development of these spaces. Ultimately, these limitations reflect the pre-existing social and economic problems of Peru as a whole. There is therefore no straightforward road to successful tourism, which itself is a variable and hotly-contested concept. Yet, the example of the Colca Valley provides enough evidence that tourism can provide new, diversified and locally-focussed economic opportunities that do not rely on "trickle down" from extractive industries. It can also help to revalorize and conserve natural and cultural heritage and empower local populations to define and pursue their own logics of action. Thus, while it is no panacea, tourism can indeed make a contribution to moving towards more inclusive development in Peru.